The FCC has Proposed Some Substantial Changes to the VRS Program — Issues You Should be Aware Of

What is the FCC proposing and how does it affect me?

The FCC is considering changes to the VRS program – how it would work and how VRS providers would be compensated – that if adopted, would fundamentally change the VRS program in the United States and could put many VRS providers at risk of going out of business.

- There are two main elements to what the FCC is proposing
 - 1. Cutting the reimbursement rate for VRS providers initially by 10-15% but ultimately by 30% over a three-year period
 - 2. Restructuring how VRS is provided to the consumer by requiring VRS callers to use only government issued software and off-the-shelf equipment.

Individually, they are both bad ideas that would do damage to the VRS industry. Combined, their effect would be even worse.

The Proposed Rate Cut

- If the rate were cut to the levels proposed, the initial cut for Sorenson would be more than 10% and could cut the rate of other providers by as much as 15%. This is only the initial cut. Subsequent cuts would slash the rate by more than 30%-45%. This of course is in addition to the cut that Sorenson bore two years ago that resulted in the closure of five centers and the layoff of more than 300 people.
- A cut that dramatic for an organization that already runs as lean as we do would be difficult to bear. Our leadership team would need to make very difficult decisions about company priorities and what would need to be reduced or eliminated to remain viable.
- Other providers have already gone on record to the FCC saying if the rate were cut to the proposed levels, they would not be able to remain in business. Competition is necessary to encourage innovation in the industry. Simply said, competition helps all of us do a better job and even losing a few providers would not be healthy for the industry.

The Restructuring of VRS

- There are many ideas the FCC is considering, but the majority of them surround the idea of the government mandating what software and what hardware VRS consumers would be able to use. In effect, VRS companies would no longer provide innovative hardware or software solutions for their users, including all Sorenson videophones. All VRS callers would use the same software and would be required to purchase the off-the-shelf hardware that is compatible with the government issued software, regardless of their provider. This would:
 - Eliminate consumer choice through the use of mandated software. This will also reduce the innovation that comes as a result of private sector competition. When consumers have a choice, providers must listen to the consumer and provide innovative solutions or risk failing. If adopted, all consumers would use the same government-issued software and equipment that wasn't designed to work with that software or even designed with VRS in mind.
 - Replace the videophones and technology we provide with a requirement that VRS users buy their own off-the-shelf equipment. This ignores the fact that our technology is developed specifically for VRS and the needs of people who are deaf as well as for our interpreters. No off the shelf equipment can match the video quality we provide at the same bandwidth. This would be a gigantic step back in terms of video quality.
 - Eliminate many of the choices and features that VRS users have today. Because we design and adapt to the needs of our consumers, we have innovative solutions like the

light-ring visual alerts, enhanced 911 address verification, visual video mail, and video phones that use the TV rather than a computer. These are all things that move toward the FCC's goal of functional equivalence. No technology company out there has ever focused on the needs of people who use ASL in order to provide services that are functionally equivalent. That will continue to be the case even if off-the-shelf equipment is mandated for VRS. Deaf people will be relegated to the use of equipment designed for hearing people without the innovative solutions that come from competition among VRS providers. The fact remains that service for the deaf population is a niche market and that service will always be better from companies that focus on that niche rather than the general population.

- Make it far more difficult for VRS companies to maintain or improve video quality thus making it more difficult for interpreters to provide a quality experience and will negatively impact accurate transmission of information—interpretations could be skewed or incomplete for our callers as a result of poor video quality. When we cannot improve the software or the hardware, we cannot enhance the video experience for our callers or for the interpreters. We would be forced to rely on whatever "bug" solution the government put in place.
- Prohibit some people from having access to VRS at all. Some cannot afford to buy off-the-shelf equipment, and even if they could, they may not be able to upgrade their internet connection, either because of cost or because of their provider's residential plan limitations, to a speed sufficient to transmit ASL clearly.
- Take away the ability for Sorenson (and other companies who may wish to develop their own call processing software) to adapt its software to the needs of video interpreters. We believe that one of the things that has made our company the top VRS company in the world is our ability to adapt to the needs of not only our customers, but our employees as well. This proposal could result in a uniform call processing platform would severely limit or even eliminate that ability.

What is your company doing?

- We are working hard to protect the VRS industry for the sake of our customers, employees, and
 even our competition. We truly believe these proposals would harm the deaf community, our
 company and the VRS industry. We are committed to doing everything we can to prevent them
 from being adopted.
- We are launching an aggressive effort to communicate with leaders in the deaf community, VRS
 users, video interpreters, and even other VRS providers. It's important that everyone with a stake
 in VRS let the FCC know that the ideas they are considering won't work and would cause far
 more harm than good.
- We are educating our workforce so that they are able to answer the questions of their family and friends. We know that many of you will be faced with questions and we want you to have accurate information so you can help educate those who may not receive information through other sources.
- We are setting up a website: www.SaveMyVRS.com to help provide information and an easy way to submit comments to the FCC and members of Congress.
- We are hosting town hall meetings across the country to get the word out and inspire action in the deaf and interpreting communities.
- We are marshaling our resources, including working with outside lawyers and communication experts to ensure that the FCC hears from as many people affected by the VRS program as possible.

What can you do?

- Read the Public Notice from the FCC and the recommendations by Rolka Loube Saltzer
 Associates (the company responsible for making the recommendations to the FCC) so you can
 better understand the issues being proposed. You can access these here:
 http://www.fcc.gov/guides/vrs-reform
- Become better educated on the issue by talking with your manager, going to www.SaveMyVRS.com, and other sources.
- Write or call the FCC and share with them your opinion about the proposed changes.
 - To file a comment:
 - o Go to: http://apps.fcc.gov/ecfs/upload/display?z=u7sgg
 - Put in 10-51 in the proceeding number
 - Fill in your information and comments
 - Click Continue to review and submit your filing
 - Call the FCC at 1-888-CALL-FCC (1-888-225-5322) toll free
 - Fax the FCC at 1-866-418-0232 toll-free
 - You can email directly to the FCC commissioners:

Chairman Julius Genachowski: Julius.Genachowski@fcc.gov

Commissioner Robert McDowell: Robert.McDowell@fcc.gov

Commissioner Mignon Clyburn: Mignon.Clyburn@fcc.gov

Commissioner Jessica Rosenworcel: Jessica.Rosenworcel@fcc.gov

Commissioner Ajit Pai: Ajit.Pai@fcc.gov

- Write or call your representatives in Congress and share with them your opinion about the proposed changes. www.govtrack.us/congress/members
- Talk to your friends and family. It's important that everyone with a stake in VRS let the FCC know the ideas they are considering won't work and would cause far more harm than good. Tell them:
 - The FCC is proposing to eliminate their choices by forcing them to use only the software and hardware that the FCC develops or approves.
 - Their opinions and needs will need to be addressed by the government instead of the VRS company of their choice.
 - They will need to purchase generic equipment (like a webcam) that was not designed for VRS. What is unique about the equipment Sorenson invented is that it was developed and optimized for use with ASL. There is no other equipment on the market like it. It was also developed for use at much lower internet speeds than off-the-shelf equipment (192-256K). Off-the-shelf equipment requires higher internet speeds. Some users may need to upgrade their internet plans to have a good VRS experience.
 - The proposed rate cut is unreasonable they are punishing the most efficient providers instead of encouraging innovation and healthy competition. Not all providers may be able to survive a cut this drastic. In any event, such a rate cut will trigger dramatic changes in service and how it is provided to consumers.
 - About <u>www.SaveMyVRS.com</u>. There they can learn more about the issues and write or choose letters to submit to the FCC and their representatives in Congress.
 - Use Facebook, Twitter and YouTube to spread the word about these changes and encourage others to contact the FCC and Congress. You can also submit a letter to your local newspaper.
 - Speak up and let your voice be heard as an interpreter that works in the VRS Industry.
 The FCC is not considering you as a stakeholder. As a matter of fact the FCC doesn't address us as VIs, but only as ASL CAs.
 - Contact your local and national Interpreter Organizations and ask them to represent the issues of the interpreters in a manner that speaks to the issues and protects the work of interpreters and the needs of the Deaf consumers of VRS.

• When you talk to people including the FCC, your representatives or friends and family, feel free to share YOUR opinion. It is worthy to note that no one is being asked to speak on behalf of Sorenson VRS/ Communications. What everyone should be comfortable enough to do is use your right to freedom of speech and expression to let the decision makers know how these proposed decisions will affect you as a VRS Interpreter and consumer of VRS, as well as the ability of the Deaf and Hearing to communicate in a functionally equivalent way.

What is the bottom line?

 Sorenson believes the facts are squarely on the side of maintaining the current VRS program with modest changes. The facts do not support the extreme changes being considered by the FCC.
 We are optimistic that with your help and the involvement of the deaf community and other VRS stakeholders, we will be successful in preventing the changes from being adopted.